

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6867

BILL NUMBER: HB 1140

DATE PREPARED: Dec 23, 2000

BILL AMENDED:

SUBJECT: Appropriation to Jay County School Corporation.

FISCAL ANALYST: Chuck Mayfield

PHONE NUMBER: 232-4825

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

STATE IMPACT	FY 2001	FY 2002	FY 2003
State Revenues			
State Expenditures		1,600,000	
Net Increase (Decrease)		(1,600,000)	

LOCAL IMPACT	CY 2001	CY 2002	CY 2003
Local Revenues		1,600,000	
Local Expenditures			
Net Increase (Decrease)		1,600,000	

Summary of Legislation: This bill appropriates \$1,600,000 to the Jay County School Corporation from the state General Fund for the purposes of replacing funds deducted by the Treasurer of State in 2000 under the debt payment intercept provisions.

Effective Date: July 1, 2001.

Explanation of State Expenditures: The Jay County School Corporation used a private holding company to finance a school bond. The school made annual payments to the holding company, but the funds were not forwarded to the bond holder. The bond holder used the state intercept law to recover the amount owed, \$1,665,814. The state plans to advance future state funds to the bond holder. Jay County School Corporation would then be required to repay the State Treasurer in 60 payments of \$27,763.57 beginning on January 15,

2001. The appropriation would allow an earlier repayment of the advance.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: See Explanation of State Expenditures.

State Agencies Affected: State Treasurer, Department of Education, Property Tax Replacement Board, State Budget Agency, State Board of Tax Commissioners.

Local Agencies Affected: Jay County School Corporation.

Information Sources: Order of State Board of Tax Commissioners.